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Message Text

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43
ACTION EB-11

INFO OCT-01 IO-13 ADP-00 OMB-01 TAR-02 AGR-20 AID-20

CIAE-00 COME-00 INR-10 LAB-06 NSAE-00 OIC-04 RSC-01

SIL-01 STR-08 TRSE-00 CIEP-02 CEA-02 AF-10 ARA-16

EA-11 EUR-25 NEA-10 L-03 RSR-01 /178 W
---------- 084179
R 141440Z AUG 73
FM USMISSION GENEVA
TO SECSTATE WASHDC 1163

UNCLAS GENEVA 4337

E.O. 11652: N/A
TAGS: ETRD, UNCTAD
SUBJ: UNCTAD: DRAFT RESOLUTION ON EXPORT INCENTIVES

1. FOLLOWING IS TEXT OF DRAFT RESOLUTION ON EXPORT INCENTIVES TO BE SUBMITTED BY GROUP OF 77 DEVELOPING COUNTRIES AT SIXTH SESSION OF UNCTAD COMMITTEE ON MANUFACTURES.

QUOTE

THE COMMITTEE ON MANUFACTURES,

NOTING WITH CONCERN THAT THE SHARE OF DEVELOPING COUNTRIES, PARTICULARLY THOSE OF THE LEAST DEVELOPED AMONG THEM, IN THE WORLD EXPORT OF MANUFACTURES AND SEMI-MANUFACTURES HAS REMAINED LOW AND THAT ITS GROWTH HAS NOT BEEN COMMENSURATE WITH THE DEVELOPMENT NEEDS OF THOSE COUNTRIES,

BEARING IN MIND THAT THE DEVELOPING COUNTRIES ARE NASCENT EXPORTERS OF MANUFACTURES AND SEMI-MANUFACTURES,

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BEARING IN MIND ALSO CONFERENCE RESOLUTION 62 (III)

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AND 63 (III),

RECOGNIZING THAT THE EARLY STAGES OF INDUSTRIALIZATION IMPLY HIGH PRODUCTION COSTS THAT MAY ADVERSELY AFFECT THE COMPETITIVENESS OF EXPORTED PRODUCTS IN THE INTERNATIONAL MARKET,

REAFFIRMS ITS RECOGNITION OF THE NEED FOR A THOROUGH REFORMULATION OF THE NORMS ON EXPORT INCENTIVES AND COUNTERVAILING DUTIES, TO PROVIDE FOR A DIFFERENTIATED TREATMENT FOR DEVELOPING COUNTRIES, PARTICULARLY FOR THE LEAST DEVELOPED AMONG THEM IN ACCORDANCE WITH THE OPERATIVE PARAGRAPHS 1 AND 2 OF CONFERENCE RESOLUTION 62 (III),

AFFIRMS THAT THE INTERESTS OF THE DEVELOPING COUNTRIES RELATING TO EXPORT INCENTIVES AND COUNTERVAILING DUTIES SHOULD BE FULLY REFLECTED IN ANY CODE OR CODES OF CONDUCT BEING EVOLVED OR TO BE PERFECTED FOR REGULATING THE USE OF EXPORT INCENTIVES AND COUNTERVAILING DUTIES,

CONSIDERS THAT ANY SUCH CODE OR CODES SHOULD, INTER ALIA, TAKE INTO ACCOUNT THE FOLLOWING GUIDELINES:

(A) EXTEND THE EXISTING PROHIBITIONS TO COVER THE SUBSIDIZATION OF BOTH PRIMARY AND NON-PRIMARY PRODUCTS IN THE TRADE AMONG DEVELOPED COUNTRIES IN ORDER TO PREVENT TRADE-DIVERTING OR-DISTORTING EFFECTS DETRIMENTAL TO EXPORTS OF DEVELOPING COUNTRIES;

(B) CLEARLY RECOGNIZE THE RIGHT OF DEVELOPING COUNTRIES TO APPLY EXPORT SUBSIDIES AS A MEANS FOR PROMOTING DIVERSIFICATION AND INCREASING THE RATE OF GROWTH OF THEIR EXPORTS OF MANUFACTURES AND SEMI-MANUFACTURES;

(C) EXEMPT IMPORTS FROM DEVELOPING COUNTRIES FROM THE APPLICATION OF COUNTERVAILING DUTIES BY DEVELOPED COUNTRIES;

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(D) PRECISELY DEFINE THOSE EXCEPTIONAL CIRCUMSTANCES WHICH CAN BE EFFECTIVELY VERIFIED IN WHICH THE APPLICATION OF COUNTERVAILING DUTIES TO IMPORTS FROM DEVELOPING COUNTRIES WOULD BE ADMISSIBLE AND DETERMINE SPECIAL PROCEDURES FOR SUCH APPLICATION;

(E) RECOGNIZE THE RIGHT OF DEVELOPING COUNTRIES TO APPLY COUNTERVAILING DUTIES TO IMPORTS FROM DEVELOPED

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COUNTRIES ON THE BASIS OF MORE FLEXIBLE CRITERIA THAN
THOSE EVOLVED FOR THE LATTER, TO ALLOW FOR THE APPLI-
CATION OF COMPENSATORY MEASURES BY DEVELOPING COUNTRIES
BOTH IN THE CASE OF INJURY TO THEIR INDUSTRIES AND OF
AN EXISTING THREAT TO THEIR NASCENT INDUSTRIES,

REQUESTS THE SECRETARY-GENERAL OF UNCTAD TO
TRANSMIT THIS RESOLUTION TO THE DIRECTOR GENERAL OF
GATT REQUESTING HIM TO SUBMIT IT TO THE APPROPRIATE
BODIES OF THE GATT. UNQUOTE

2. US DEL BELIEVES DRAFT RESOLUTION IN PRESENT FORM
UNACCEPTABLE. CONTACT GROUP WILL TAKE UP TEXT TODAY.
NOT CLEAR AT THIS STAGE WHETHER LDCS WISH TO NEGOTIATE
SERIOUSLY ON TEXT OR WILL BE SATISFIED WITH INCLUDING
IN REPORT AS STATEMENT OF LDC POSITIONS ON EXPORT
INCENTIVES. WE DOUBT ACCEPTABLE TEXT CAN BE NEGOTIATED.

BASSIN

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
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Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 14 AUG 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: GENEVA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730839/aaaabctn.tel
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Original Classification: UNCLASSIFIED
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Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
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Review Authority: kellerpr
Review Comment: n/a
Review Content Flags:
Review Date: 31 AUG 2001
Review Event:
Review Exemptions: n/a
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